

February 01, 2022

# PCRB CIRCULAR NO. P1776

To All Members of the PCRB:

# Re: APPROVAL OF PCRB FILING NO. 325 BASIC MANUAL REVISIONS – SECTION 2 EFFECTIVE APRIL 1, 2022

# REVISION TO THE SCOPE OF CODE 673, ADVERTISING SIGN MANUFACTURE, ERECTION OR REPAIR

The Pennsylvania Insurance Commissioner has approved PCRB Filing No. 325, which revises the scope of Classification Code 673, Advertising Sign Manufacture, Erection or Repair, for policies effective on or after 12:01 a.m., April 1, 2022. The effective date of these changes is concurrent with the proposed effective date of the PCRB's normal annual comprehensive loss cost revision filing, which was approved by the Commissioner effective for April 1, 2022 (PCRB Circular No. 1779). This coordination will consolidate necessary changes that our members and other constituents must make to policies, forms and systems.

Code 673 as presently structured applies to an employer engaged in the fabrication and installation of advertising signs and signs not otherwise classified and to an employer engaged exclusively in the installation of signs with no manufacturing. The Pennsylvania Workers Compensation Manual of Rules, Classifications and Rating Values for Workers Compensation and for Employers Liability Insurance (Basic Manual) specifies that Code 673 must be applied to both the shop fabrication and the installation payroll developed by an employer engaged in both the shop fabrication and installation of signs.

The PCRB studied Code 673 with the objective of determining the feasibility of allowing an employer engaged in both the shop manufacture and installation of signs to separately rate their shop manufacturing effort to the applicable shop manufacturing classification based on the type of signage fabricated. Pursuant to a file by file review of the 403 employers reporting payroll to Code 673, review of historical experience exhibits and statistical tests, and analysis of classification procedure in other jurisdictions, staff proposed revision to the scope of Code 673 for policies with effective dates of April 1, 2022 and later to allow an employer engaged in both the manufacture and installation of signs to separately rate their manufacturing payroll (while continuing to assign payroll developed in their installation work to Code 673). Such allowance will apply regardless of whether an employer uses separate crews to perform the manufacturing or installation work. Employers will be required to maintain separate payroll records for the manufacturing and installation work. Otherwise, their entire payroll will be subject to the applicable classification with the highest carrier rating value.

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The classifications typically applied to sign manufacturing are Codes 454, Sheet Metal Products Fabrication, N.O.C., Shop; 486, Incandescent Light Bulb or Electronic Tube Mfg.; 281, Printing, N.O.C.; or 306, Woodenware Mfg., N.O.C. The reassignment of impacted employers' manufacturing payroll from Code 673 to one of those classifications will result in a premium decrease. The approved April 1, 2022 PCRB loss costs for Codes 673, 454, 486, 281 and 306 are \$3.89, \$1.69, \$0.78, \$1.44 and \$1.96, respectively. The PCRB will advise employers impacted by this revision via individual notice letters.

Please refer to PCRB Filing No. 325 via the "Filings" tab of the PCRB's website (<u>http://www.pcrb.com</u>) for additional information on the revisions discussed above. Please contact Robert Ferrante, Senior Classification Analyst – Technical Services, at (215) 320-4584 or at rferrante@pcrb.com for any questions regarding this circular. The Basic Manual will be updated on the PCRB's website at a later date.

William V. Taylor President

Proposed Effective April 1, 2022

#### **SECTION 2**

#### **RATING VALUES** through **DEFINITIONS** remain unchanged.

#### DEFINITIONS

#### **CLASSIFICATIONS**

No change to Classification Code 005 – TREE PRUNING, SPRAYING, REPAIRING OR FUMIGATING through Classification Code 265 – STATIONARY PRODUCTS MFG.

#### 281 PRINTING, N.O.C

No change.

#### **OPERATIONS ALSO INCLUDED:**

No change to Item 1 through Item 4.

5. The <u>shop</u> manufacture of plastic or vinyl sign letters and the application of such onto a substrate. – <u>shop only, no installation.</u> Sign installation to be separately rated.

No change to Item 6.

#### **OPERATIONS NOT INCLUDED:**

No change.

#### **UNDERWRITING GUIDE**

Plastic Sign Letters Mfg. - Shop <u>Only-Sign Installation to be Separately Rated</u> Vinyl Sign Letters Mfg. - Electronically Scored - Shop <u>Only-Sign Installation to be Separately Rated</u>

No change to Classification Code 282 – NEWSPAPER OR PERIODICAL PRINTING – BY PUBLISHER OR CONTRACT PRINTER through Classification Code 305 – CARPENTRY SHOP, INCLUDING PLANING MILL

#### 306 WOODENWARE MFG., N.O.C

Sign Or Sign Letter Mfg. - Wood, Shop Only, No Erection-Sign Installation to be Separately Rated

No change to Classification Code 311 – CABINET WORKS – WITH POWER-DRIVEN MACHINERY through Classification Code 451 – AUTOMOBILE, TRUCK OR TRAILER BODY MFG.

#### 454 SHEET METAL PRODUCTS FABRICATION, N.O.C., SHOP

No change.

#### **OPERATIONS NOT INCLUDED:**

No change.

Proposed Effective April 1, 2022

#### UNDERWRITING GUIDE

Sign Mfg. - Metal, Shop Only - No Erection - Installation to be Separately Rated

No change to Classification Code 456 – METAL FURNITURE OR FURNISHING GOODS MFG., N.O.C. through Classification Code 485 – COMMUNICATIONS, SEARCH, DETECTION OR SIGNAL PROCESSING EQUIPMENT MFG.

486 INCANDESCENT LIGHT BULB OR ELECTRONIC TUBE MFG.

#### **UNDERWRITING GUIDE**

Neon Sign Mfg. - Shop Only, No Installation, Service Or Repair- Installation to be Separately Rated

No change to Classification Code 487 – SURGICAL OR OPTICAL INSTRUMENT MFG. through Classification Code 670 – HOUSE FURNISHINGS INSTALLATION, N.O.C.

#### 673 ADVERTISING SIGN, MANUFACTURE, ERECTION OR REPAIR - NOT OUTDOOR ADVERTISING COMPANY

Applicable to a business engaged in the erection or repair of signs not otherwise classified.

#### **OPERATIONS NOT INCLUDED:**

- 1. Separately rate the shop manufacture of signs as provided for in this Manual.
- 2. Assign the erection, maintenance and changing of content on billboards, bill posting, and sign painting or lettering on buildings or other structures to Code 679. See Code 679 for additional details.

#### UNDERWRITING GUIDE

Advertising Sign-<u>Mfg.</u>, Erection And Repair, Not Outdoor Advertising Company Electrical Sign And Advertising Display-<u>Mfg.</u>, Installation And Repair <u>Highway Directional Sign Erection or Repair</u> Neon Sign-<u>Mfg.</u>, Installation Or Repair <u>Road or Street Sign Erection or Repair</u> Scoreboard-<u>Mfg.</u>, Installation Or Repair - Electric

No change to Classification Code 674 – SWIMMING POOL CONSTRUCTION, ALL WORK TO COMPLETION through Classification Code 677 – BOILER INSTALLATION OR REPAIR.

#### 679 ADVERTISING COMPANY, OUTDOOR

Applicable to <u>outdoor advertising companies and includes but is not necessarily limited to: shop operations,a</u> <u>business engaged in</u> the erection, <u>painting, repair</u>, maintenance <u>and changing of content on billboards</u> or removal <u>of signs</u>, sign painting or lettering in or upon buildings or structures, <u>and/</u> or bill posting. <u>Includes shop operations</u>.

#### **OPERATIONS NOT INCLUDED:**

<u>1.</u> <u>Assign the installation, erection or repair of signs not otherwise classified to Code 673. See Code 673 for additional details.</u>

No change to Classification Code 681 – CANVAS GOODS, AWNING OR TENT ERECTION, REMOVAL OR REPAIR through Code 9741 – CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM)

Description	Direct Employment Class	Temporary Employment Class
No change to Abrasive Paper Or Cloth Preparation through Advertising Display Service - For Stores		
Advertising Sign Mfg., Erection And Repair, Not Outdoor Advertising Company	673	2673
No change to Advisory Rating Organization - Clerical Office through Electrical Or Gas Household Major Or Commercial Appliances - Service Or Repair		
Electrical Sign And Advertising Display Mfg., Installation And Repair	673	2673
No change to Electrical Supply Dealer – Wholesale through High Explosives Mfg.		
Highway Directional Sign Erection or Repair	<u>673</u>	<u>2673</u>
No change to <b>Highway Maintenance, Scraping, Paving Or Repaving By Contractor</b> through <b>Needle, Pin,</b> Hook Or Eye Mfg.		
Neon Sign Mfg Shop Only, No Installation, Service Or Repair – Installation to be Separately Rated	486	2486
Neon Sign- <mark>Mfg.</mark> , Installation Or Repair	673	2673
No change to Netting - Mosquito - No Mfg. Of Net through Plastic Mfg., Sheets And Rods		
Plastic Sign Letters Mfg Shop Only_Sign Installation to be Separately Rated	281	2281
No change to Plastic, Molded Products Mfg. N.O.C. through Road Maintenance By Municipal Employees		
Road or Street Sign Erection or Repair	<u>673</u>	<u>2673</u>
No change to Robe And Dressing Gown Mfg. through School, Aircraft, Flight Employees		
Scoreboard Mfg., Installation Or Repair - Electric	673	2673
No change to Scouring Compound Mfg. through Sign Erection, Removal Or Repair, Not Outdoor Advertising Company		

Description	Direct Employment Class	Temporary Employment Class
Sign Mfg Metal, Shop Only - No Erection - Installation to be Separately Rated	454	2454
Sign Or Sign Letter Mfg Wood, Shop Only, No Erection - Installation to be Separately Rated	306	2306
No change to Sign Painting Or Lettering In Or Upon Buildings Or Structures through Vinyl Fence Erection - Commercial or Residential		
Vinyl Sign Letters Mfg Electronically Scored - Shop Only - Sign Installation to be Separately Rated	281	2281
No change to Vinyl Tile Installation through Zoo		

Proposed Effective April 1, 2022

#### **SECTION 2**

#### **RATING VALUES** through **DEFINITIONS** remain unchanged.

#### DEFINITIONS

## CLASSIFICATIONS

No change to Classification Code 005 – TREE PRUNING, SPRAYING, REPAIRING OR FUMIGATING through Classification Code 265 – STATIONARY PRODUCTS MFG.

#### 281 PRINTING, N.O.C

No change.

#### **OPERATIONS ALSO INCLUDED:**

No change to Item 1 through Item 4.

5. The shop manufacture of plastic or vinyl sign letters and the application of such onto a substrate. Sign installation to be separately rated.

No change to Item 6.

#### **OPERATIONS NOT INCLUDED:**

No change.

#### **UNDERWRITING GUIDE**

Plastic Sign Letters Mfg. - Shop –Sign Installation to be Separately Rated Vinyl Sign Letters Mfg. - Electronically Scored - Shop –Sign Installation to be Separately Rated

No change to Classification Code 282 – NEWSPAPER OR PERIODICAL PRINTING – BY PUBLISHER OR CONTRACT PRINTER through Classification Code 305 – CARPENTRY SHOP, INCLUDING PLANING MILL

#### 306 WOODENWARE MFG., N.O.C

Sign Or Sign Letter Mfg. - Wood, Shop -Sign Installation to be Separately Rated

No change to Classification Code 311 – CABINET WORKS – WITH POWER-DRIVEN MACHINERY through Classification Code 451 – AUTOMOBILE, TRUCK OR TRAILER BODY MFG.

#### 454 SHEET METAL PRODUCTS FABRICATION, N.O.C., SHOP

No change.

#### **OPERATIONS NOT INCLUDED:**

No change.

Proposed Effective April 1, 2022

## UNDERWRITING GUIDE

Sign Mfg. - Metal, Shop - Installation to be Separately Rated

No change to Classification Code 456 – **METAL FURNITURE OR FURNISHING GOODS MFG.**, **N.O.C.** through Classification Code 485 – **COMMUNICATIONS, SEARCH, DETECTION OR SIGNAL PROCESSING EQUIPMENT MFG.** 

### 486 INCANDESCENT LIGHT BULB OR ELECTRONIC TUBE MFG.

### UNDERWRITING GUIDE

Neon Sign Mfg. - Shop - Installation to be Separately Rated

No change to Classification Code 487 – SURGICAL OR OPTICAL INSTRUMENT MFG. through Classification Code 670 – HOUSE FURNISHINGS INSTALLATION, N.O.C.

## 673 SIGNERECTION OR REPAIR

Applicable to a business engaged in the erection or repair of signs not otherwise classified.

#### **OPERATIONS NOT INCLUDED:**

- 1. Separately rate the shop manufacture of signs as provided for in this Manual.
- 2. Assign the erection, maintenance and changing of content on billboards, bill posting, and sign painting or lettering on buildings or other structures to Code 679. See Code 679 for additional details.

## UNDERWRITING GUIDE

Advertising Sign, Erection And Repair, Not Outdoor Advertising Company Electrical Sign And Advertising Display, Installation And Repair Highway Directional Sign Erection or Repair Neon Sign, Installation Or Repair Road or Street Sign Erection or Repair Scoreboard, Installation Or Repair - Electric

No change to Classification Code 674 – SWIMMING POOL CONSTRUCTION, ALL WORK TO COMPLETION through Classification Code 677 – BOILER INSTALLATION OR REPAIR.

## 679 ADVERTISING COMPANY, OUTDOOR

Applicable to a business engaged in the erection, maintenance and changing of content on billboards, sign painting or lettering in or upon buildings or structures, and/or bill posting. Includes shop operations.

#### **OPERATIONS NOT INCLUDED:**

1. <u>Assign the installation, erection or repair of signs not otherwise classified to Code 673. See Code 673 for additional details.</u>

No change to Classification Code 681 – CANVAS GOODS, AWNING OR TENT ERECTION, REMOVAL OR REPAIR through Code 9741 – CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM)

Description	Direct Employment Class	Temporary Employment Class
No change to Abrasive Paper Or Cloth Preparation through Advertising Display Service - For Stores		
Advertising Sign Erection And Repair, Not Outdoor Advertising Company	673	2673
No change to Advisory Rating Organization - Clerical Office through Electrical Or Gas Household Major Or Commercial Appliances - Service Or Repair		
Electrical Sign And Advertising Display Installation And Repair	673	2673
No change to Electrical Supply Dealer – Wholesale through High Explosives Mfg.		
Highway Directional Sign Erection or Repair	673	2673
No change to <b>Highway Maintenance, Scraping, Paving Or Repaving By Contractor</b> through <b>Needle, Pin,</b> Hook Or Eye Mfg.		
Neon Sign Mfg Shop – Installation to be Separately Rated	486	2486
Neon Sign, Installation Or Repair	673	2673
No change to Netting - Mosquito - No Mfg. Of Net through Plastic Mfg., Sheets And Rods		
Plastic Sign Letters Mfg Shop – Sign Installation to be Separately Rated	281	2281
No change to Plastic, Molded Products Mfg. N.O.C. through Road Maintenance By Municipal Employees		
Road or Street Sign Erection or Repair	673	2673
No change to Robe And Dressing Gown Mfg. through School, Aircraft, Flight Employees		
Scoreboard Installation Or Repair - Electric	673	2673
No change to Scouring Compound Mfg. through Sign Erection, Removal Or Repair, Not Outdoor Advertising Company		
Sign Mfg Metal, Shop <u>– Installation to be Separately Rated</u>	454	2454
Sign Or Sign Letter Mfg Wood, Shop <u>– Installation to be Separately Rated</u>	306	2306

Description	Direct Employment Class	Temporary Employment Class
No change to Sign Painting Or Lettering In Or Upon Buildings Or Structures through Vinyl Fence Erection - Commercial or Residential		
Vinyl Sign Letters Mfg Electronically Scored - Shop – Sign Installation to be Separately Rated	281	2281
No change to Vinyl Tile Installation through Zoo		